

**LEGISLATIVE FISCAL OFFICE**

**Fiscal Note**



Fiscal Note On: **HB 345** HLS 08RS 327  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> April 3, 2008 5:40 PM	<b>Author:</b> ARNOLD
<b>Dept./Agy.:</b> LA Tax Commission / Local Governments	<b>Analyst:</b> Greg Albrecht
<b>Subject:</b> Limits Property Tax Growth To Consumer Price Index	

TAX/AD VALOREM TAX OR SEE FISC NOTE LF RV See Note Page 1 of 1  
 Limits increases of ad valorem tax millages

Local taxing authorities are authorized to increase millage rates by limited amounts with a 2/3 vote of the taxing body without a further vote of approval by the people, but only after an advertised public hearing.

This bill limits the resulting increase in the dollar amount of ad valorem taxes collected in those circumstances to no more than the increase in the official consumer price index as published by the U.S. government, since the last time reappraisal occurred {Art. VII, Section 18(F)}. This new limitation will apply to all taxing authorities in a parish if this proposed constitutional amendment is approved by a majority of the voters in the parish.

Effective when the proposed constitutional proposed by HB 169 of this session is adopted by the electors at the statewide election to be held on November 4, 2008.

<b>EXPENDITURES</b>	<b><u>2008-09</u></b>	<b><u>2009-10</u></b>	<b><u>2010-11</u></b>	<b><u>2011-12</u></b>	<b><u>2012-13</u></b>	<b><u>5 -YEAR TOTAL</u></b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

<b>REVENUES</b>	<b><u>2008-09</u></b>	<b><u>2009-10</u></b>	<b><u>2010-11</u></b>	<b><u>2011-12</u></b>	<b><u>2012-13</u></b>	<b><u>5 -YEAR TOTAL</u></b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
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Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	<b><u>\$0</u></b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

**REVENUE EXPLANATION**

Current projections of the growth of the consumer price index, provided by Moody's Economy.com, for the next few years range from 1.84% to 2.24% per year. Thus, except for reappraisal years, this bill will limit ad valorem tax collection increases, in cases where taxing bodies increase millage rates without a further vote of approval by the people, to approximately this range of annual growth for the number of years since reappraisal last occurred.

Senate

Dual Referral Rules

House

- 13.5.1 >= \$500,000 Annual Fiscal Cost
- 13.5.2 >= \$500,000 Annual Tax or Fee Change

- 6.8(F) >= \$500,000 Annual Fiscal Cost
- 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

*H. Gordon Monk*

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**Legislative Fiscal Officer**